

S-E-C-R-E-T

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The above commodities were to be delivered within a few days after the officials' visit, together with the outstanding balances of tubing with dimensions 102 x 4, 102 x 4.5, and 108 x 3.75 from the December 1951 order.

b. During March 1952, 60 tons of tubing, 38 x 3-3.5, were scheduled for delivery.

c. During the period March - May 1952, 710 tons of tubing ranging from 57 to 215 millimeters in size, were to be delivered against contract number x/128. Some partial shipments against this contract had already been made.

d. Furthermore, 65 tons of seamless drawn gas pipe (coils and sleeves included), St. 35.29, were to be delivered during March 1952, as follows:

<u>Quantity</u> (tons)	<u>Diameter</u> (inches)
20	3/4
25	1
10	1 1/4
10	1 1/2

GDR officials also succeeded in placing orders for 1,876 tons of seamless boiler pipe for "the power program,"

50X1-HUM
50X1-HUM

Heavy Plate

The officials found that the heavy plate situation in Czechoslovakia was hopeless for the GDR at that time. Because of "special efforts of the peace camp" it was not possible for the competent agencies in Czechoslovakia to make any allocations of this commodity to the GDR. Therefore, no deliveries of heavy and boiler plate from Czechoslovakia should be expected by the GDR. However, Ferromet and the Czechoslovak Ministry of Foreign Trade promised that an exchange of sheet would be arranged if the opportunity should present itself. Czechoslovakia was ready to deliver the heavy plate required by the GDR in large dimensions (shipbuilding plate) if the GDR were in a position to deliver thin and medium sheet and heavy plate in return.

Wide Flat-Bar Steel

The wide flat-bar steel (250 x 225 x 14,800) required for the railroad-car-building program could not be delivered by Czechoslovakia, either, since wide flat-bar steel fell into the category of heavy plate and Czechoslovakia was already utilizing its full production capacity, as pointed out above. Ferromet withdrew its initial promise to deliver 600 tons of wide flat-bar steel to the GDR. The Czechoslovak Ministry of Foreign Trade was to confirm the withdrawal of this delivery promise.

- 2 -

S-E-C-R-E-T

S-E-C-R-E-T

50X1-HUM

Bar Steel

It was particularly important to determine the delivery schedule for the bar steel from the Poldi-Huetten (Poldi Foundry) for which detailed orders had been furnished to Prague in September 1951. At the time of the GDR officials' arrival in Prague, only insufficient general data had been supplied to the "Poldi-Huetten" [probably meaning a Poldi-Huetten representative] in Leipzig. The alloy steel for heavy machine building, which was of greatest importance to the GDR, was scheduled for delivery during the third and fourth quarters 1952. After intercession of the Czechoslovak Ministry of Foreign Trade, the Ferromet's Poldi department instituted a special action in the Kladno plant; as a result, it was found possible to channel part of other orders to the GDR. Sixty tons of EC 80 were to be delivered from stock and approximately 110 tons during the first and second quarters of 1952 through rescheduling of production. Furthermore, the GDR officials were able to arrange that the specifications which had not yet been furnished would be sent to Kladno for inclusion in the production plans.

The GDR officials were able to obtain delivery dates for tool steel considerably in advance of existing contract dates.

50X1-HUM

The GDR officials expressed amazement when they were informed by Poldi that on 4 February 1952 DIA Metall (Intra-German and Foreign Trade Agency for Metals) canceled orders for approximately 1,000 tons of machine-building steel. This situation was particularly embarrassing since the plant had instituted a special action for this commodity. A telegraphic inquiry to DIA Metall (Gruening) revealed that this agency was justifying this measure on the basis of allocation difficulties in the plan. DIA Metall promised to investigate the matter further, and, on 7 February 1952, Poldi received a telegraphic annulment of the cancellation.

This case was also presented to the GDR Commercial Counselor, Falkenberg, who was completely at a loss to understand the cancellation, particularly in view of the fact that steel deliveries in Czechoslovakia were so tight that such changes would make a bad impression on the Czechoslovak agencies. He also felt that it was questionable whether substitute specifications could have been submitted to the plants in time for inclusion in the production plans.

The GDR officials were given a delivery schedule for bright steel (not included in the document). Figures on open quantities were furnished to DIA Metall for new specifications.

The officials determined that there was no chance for delivery of the following types and dimensions of steel:

Nichrome steel

Chrome-molybdenum steel

200-millimeter diameter

160 x 180 millimeter

32,000 square centimeters flat (cross section)

The GDR officials were unable to place orders for any additional quantities of high-speed steel over and above the small quantities already accepted.

- 3 -

S-E-C-R-E-T

S-E-C-R-E-T

50X1-HUM

[redacted] Poldi promised to submit a detailed delivery schedule to DIA Metall for all orders it had already accepted, so far as 1953 orders were concerned, the reorganization in the system of production orders for individual plants would mean that early discussion and agreement, through personal contact among the appropriate government officials, would be necessary before detailed orders were placed; this contact should take place no later than June - July 1952. In the future it would be desirable if detailed specifications were submitted, subdivided according to the individual dimension groups, in order to facilitate the work of both parties. These dimension groups were known to the DEZ M Poldi (German Trade Center for Metals, Poldi Section), Leipzig.

50X1-HUM

Wheel Sets and Wheel Disks

The GDR officials conducted exhaustive negotiations with Ferromet regarding delivery of wheel sets and wheel disks. Ferromet checked with the supplier plant in question and then informed the GDR officials that it would be possible to obtain the 6,300 wheel sets and 11,200 wheel disks required for the railroad-car program. Delivery could start in May 1952, provided that Ministry of Planning would issue the delivery orders. Negotiations with the Ministry of Planning had not been concluded at the time of the GDR officials' departure. Therefore, the material supply division was to be informed by wire whether contracts for these quantities could be accepted by Czechoslovakia. Furthermore, the GDR officials were informed that "the USSR would not need any more wheel sets from Czechoslovakia in 1953." It was suggested that the GDR should take up the then available capacity through appropriate orders. The necessary steps to alert the vehicle-building industry were instituted.

Aluminum Ingots and Aluminum Foil

The GDR officials negotiated with (Dr) Otochal of Metalimex (Czechoslovak Import and Export Agency for Ceres) on 29 January 1952, immediately after their arrival, regarding delivery of aluminum ingots and aluminum foil. Otochal informed the GDR officials that it would not be possible to export aluminum to the GDR. To overcome the existing bottleneck, the GDR officials asked whether it would be possible to obtain 150 tons of pure aluminum ingots on a loan basis. This quantity would be returned to Czechoslovakia during the second half of 1952. The officials intended to leave 50 tons in Czechoslovakia for rolling into aluminum foil there; the remaining 100 tons would be processed in GDR foundries. However, a decision on the matter could be made only on the level of the Ministry of Foreign Trade or the Ministry of Planning. The GDR officials conferred with all agencies connected with this matter, including the Ministry of Foreign Trade (Vice-Minister Dvorak). Dvorak had to refuse permission for the GDR proposal. He promised he would recheck available reserves and asked that the GDR Ministry of Foreign and Intra-German Trade should get in touch with the Czechoslovak Ministry of Foreign Trade within 2 weeks regarding this matter. The GDR Commercial Counselor in Prague, Falkenberg, was asked to follow up on this matter.

Under the then existing conditions, aluminum foil could be exported to the GDR only if the basic production material could be made available by the GDR.

- 4 -

S-E-C-R-E-T

S-E-C-R-E-T

50X1-HUM

Skelp

Some time earlier, the GDR State Planning Commission had inquired whether Czechoslovakia could roll and draw boiler pipe for the GDR if the latter supplied the ingots. However, according to information from the Czechoslovak Ministry of Foreign Trade, the drawing capacity of Czechoslovakia was fully utilized, and the only thing which could possibly be done was to roll skelp. Pacik, Czechoslovak Deputy Minister of Planning, informed the Deputy Minister President and Chairman of the GDR State Planning Commission that Czechoslovakia would be willing to roll about 4,000 tons of skelp on a contract basis. GDR State Secretary Gantner-Gilmann, on his way back from Rumania to the GDR, stopped off in Prague to sign the 1952 Trade Agreement. He informed the two officials that this arrangement would be very satisfactory, since Rumania had a new tube-drawing plant whose capacity was not yet taken up. Therefore, it would be possible to have the skelp processed in Rumania. However, it would be necessary to go over the technical details, since it was not known whether the required tolerances could be maintained in Rumania.

[redacted] the 1952 trade treaty with Czechoslovakia includes 18,000 tons of rolled goods and that specific orders had been placed for 17,600 tons. Delivery beyond the 18,000-ton limit depended on other factors. (It might be possible to obtain wheel sets.)

50X1-HUM

The GDR officials' negotiations with the appropriate Czechoslovak agencies were conducted in close cooperation with the commercial section of the GDR diplomatic mission in Czechoslovakia. Permission for a visit to the rolling mills whose production would be of interest to the GDR could not be obtained. Outside of that, the Czechoslovak companies made every effort to give wholehearted cooperation [redacted] so that they could obtain the required data through visits to other rolling mills.

50X1-HUM

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- 5 -

S-E-C-R-E-T